



County of Los Angeles
CHIEF ADMINISTRATIVE OFFICE

713 KENNETH HAHN HALL OF ADMINISTRATION • LOS ANGELES, CALIFORNIA 90012
(213) 974-1101
<http://cao.co.la.ca.us>

DAVID E. JANSSEN
Chief Administrative Officer

May 18, 2004

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

Dear Supervisors:

**SEVEN-YEAR PARKING LICENSE AGREEMENT
DEPARTMENT OF PUBLIC SOCIAL SERVICES
12440 EAST IMPERIAL HIGHWAY, NORWALK
(FOURTH DISTRICT) (3 VOTES)**

IT IS RECOMMENDED THAT YOUR BOARD:

1. Approve and instruct the Chairman to sign the attached seven-year License Agreement (New License) with Sonnenblick Del Rio Imperial Center-Norwalk, L.L.C. (Licensor) for 250 parking spaces for the Department of Public Social Services (DPSS) at 12440 East Imperial Highway, Norwalk, at a maximum initial annual rental cost of \$135,000, which is ten percent net County cost and 90 percent subvented by State and Federal funds.
2. Find that the proposed License is categorically exempt from the provisions of the California Environmental Quality Act (CEQA) pursuant to Class 1, Section r of the Environmental Document Reporting Procedures and Guidelines adopted by your Board on November 17, 1987, and Section 15061 (b) (3) of the State CEQA Guidelines.
3. Approve the project and authorize the Chief Administrative Office (CAO) and DPSS to implement the project. The License will be effective on July 1, 2004.

Board of Supervisors
GLORIA MOLINA
First District

YVONNE BRATHWAITE BURKE
Second District

ZEV YAROSLAVSKY
Third District

DON KNABE
Fourth District

MICHAEL D. ANTONOVICH
Fifth District

The Honorable Board of Supervisors
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PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The purpose of this recommended action is to enter into a seven-year License which allows DPSS to provide convenient on-site, parking for employees that attend training classes at a leased facility located at 12440 East Imperial Highway, Norwalk. The New License will replace an existing parking license agreement and shuttle service agreement, at a lower cost.

In April 2001, the County entered into a ten-year license for 250 off-site, parking spaces located at 13963 Alondra Boulevard, Santa Fe Springs (Old License) to meet the growing parking needs of the training program. The Old License is supplemented by a Proposition A shuttle service agreement, whereby a shuttle service vendor is used to transport staff three miles to and from the off-site parking lot.

The New License will eliminate the administrative duties associated with managing the existing shuttle service. Moreover, the travel time staff currently experience going to and from the off-site parking lot will be eliminated. DPSS will recognize a substantial reduction in overall parking costs because the New License is less costly than the combined costs for the Old License and shuttle service agreement.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

The Countywide Strategic Plan directs that we enhance the productivity of the County workforce through improvement of the workplace environment and strengthen the County's fiscal capacity (Goal 2, Strategy 2, and Goal 4). In this case, the New License will enhance productivity by reducing commute time, and strengthen fiscal capacity by providing staff with on-site parking at a lower cost, as further outlined in Attachment A.

FISCAL IMPACT/FINANCING

The maximum initial annual rental cost will be \$135,000.

12440 East Imperial Highway, Norwalk	Old License and Shuttle Agreement	New License	Change
Parking Spaces	250	250	None.
Term (Years)	10Years; 4/10/01 to 4/9/11	7 years; 7/1/04 to 6/30/11	-3 years
Annual Rent	\$302,853 (\$1,211 per parking space per year)	\$135,000 (\$540 per parking space per year)	- \$167,853
Parking	\$45,000	\$135,000	
Shuttle	\$257,853	\$0	
TOTAL	\$302,853	\$135,000	
Cancellation	Anytime after 3 rd year upon 30 days' notice.	Anytime after 3 rd year upon 90 days' notice.	+ 60 days
CPI Adjustment	At year 6, 25% cap	None.	No CPI

Sufficient funding for the New License will be included in the 2004-05 Rent Expense Budget and will be billed back to DPSS. DPSS will have sufficient funds in its 2004-05 operating budget to cover the New License cost. Approximately 90 percent of the New License cost will be subvned by State and Federal funding.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

In the event the recommendation herein is adopted by the Board of Supervisors, written cancellation notices will be provided immediately thereafter to the owner of the off-site parking lot and to the shuttle service vendor. The current license and shuttle service agreements will terminate concurrently with the commencement of the New License. A term of seven years has been proposed to make the New License consistent with the remaining seven year term of the Old License and the office lease. The New License contains the following provisions:

- The term commences on July 1, 2004 and terminates on June 30, 2011.

The Honorable Board of Supervisors
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- Full-service whereby the Licensor is responsible for all operating costs associated with this proposed License.
- A space reduction and cancellation provision allowing either party to reduce the number of parking spaces and rent or to cancel at anytime after the third year upon 90 days' advance notice.

CAO Real Estate staff surveyed the Norwalk area to determine the availability of comparable and more economical sites. Staff was unable to identify any sites in the surveyed areas that could accommodate this parking requirement more economically that were acceptable to the City of Norwalk. Attachment B shows all County-owned and leased facilities within the search areas for these programs. There are no County-owned or leased facilities available for this parking requirement.

Based upon a survey of parking facilities within the Norwalk area, staff has determined that base rental range is between \$360 and \$600 per parking space per year. Thus, the proposed annual rent of \$540 per parking space per year is within the market value range.

ENVIRONMENTAL DOCUMENTATION

The CAO has made an initial study of environmental factors and has concluded that this project is exempt from CEQA pursuant to Class 1, Section r, of the Environmental Document Reporting Procedures and Guidelines adopted by your Board on November 17, 1987, and Section 15061 (b) (3) of the State CEQA Guidelines.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

It is the finding of the CAO that the New License is in the best interest of the County and will continue to provide the necessary spaces for this County parking requirement. In accordance with your Board's policy on the housing of any County offices or activities, DPSS concurs in this License recommendation.

The Honorable Board of Supervisors
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CONCLUSION

It is requested that the Executive Officer, Board of Supervisors, return two originals of the executed License Agreement and the adopted, stamped Board letter, and two certified copies of the Minute Order to the CAO, Real Estate Division at 222 South Hill Street, 4th Floor, Los Angeles, CA 90012 for further processing.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "David E. Janssen", with a stylized flourish at the end.

DAVID E. JANSSEN
Chief Administrative Officer

DEJ:CWW
CEM:KW:hd

Attachments (3)

c: County Counsel
Department of Public Social Services

**DEPARTMENT OF PUBLIC SOCIAL SERVICES
12440 EAST IMPERIAL HIGHWAY, NORWALK**

Asset Management Principles Compliance Form¹

1. Occupancy	Yes	No	N/A
A Does lease consolidate administrative functions? ²			X
B Does lease co-locate with other functions to better serve clients? ²			X
C Does this lease centralize business support functions? ²			X
D Does this lease meet the guideline of 200 sf of space per person? ²			X
2. Capital			
A Should program be in leased space to maximize State/Federal funding?	X		
B If not, is this a long term County program?			X
C Is it a substantially a net County cost (NCC) program? DPSS subvention rate is 90% via State and Federal funding. NCC is 10%.		X	
D If yes to 2 B or C; capital lease or operating lease with an option?		X	
E If no, are there any suitable County-owned facilities available?		X	
F If yes, why is lease being recommended over occupancy in County-owned ?			X
G Is Building Description Report attached as Attachment B?	X		
H Was build-to-suit or capital project considered? Leasing parking spaces is deemed more cost-effective than building a parking facility.		X	
3. Portfolio Management			
A Did department utilize CAO Space Request Evaluation (SRE)?	X		
B Was the space need justified?	X		
C If a renewal, was co-location with other County departments considered ?			X
D Why was this program not co-located?			
1. The program clientele requires a "stand alone" facility.			
2. X No suitable County occupied properties in project area.			
3. X No County-owned facilities available for the project.			
4. Could not get City clearance or approval.			
5. The Program is being co-located.			
E Is lease a full service lease?	X		
F Has growth projection been considered in space request?	X		
G Has the Dept. of Public Works completed seismic review/approval?			X
¹ As approved by the Board of Supervisors 11/17/98			
² If not, why not?	Please bold any written responses		

**SPACE SEARCH, CITY OF NORWALK
DEPARTMENT OF PUBLIC SOCIAL SERVICES
12440 EAST IMPERIAL HIGHWAY, NORWALK**

LACO	FACILITY NAME	ADDRESS	PAVED PARKING SQ. FT.	OWNERSHIP	AVAILABLE SQ. FT.
X168	HARRY HUFFORD REGISTRAR RECORDER-COUNTY CLERK BLDG	12400 EAST IMPERIAL HIGHWAY, NORWALK 90650	306,250	FINANCED	NONE
A022	APD-NORWALK OFFICE	12440 FIRESTONE BLVD, NORWALK 90650	3,500	LEASED	NONE
L091	NORWALK CORPORATE PLAZA	12501 EAST IMPERIAL HIGHWAY, NORWALK 90650	17,500	LEASED	NONE
5685	NORWALK COURTHOUSE	12720 NORWALK BLVD, NORWALK 90650	228,105	OWNED	NONE
L627	NORWALK CIVIC CENTER	12720 NORWALK BLVD, NORWALK 90650	315,000	OWNED	NONE
L733	NORWALK COURTHOUSE	12721 AVENIDA MANUEL, NORWALK 90650	61,950	LEASED	NONE
D221	DPSS NORWALK DISTRICT OFFICE	12727 NORWALK BLVD, NORWALK 90650	50,050	LEASED	NONE
L819	DPSS NORWALK DISTRICT OFFICE	12819 NORWALK BLVD, NORWALK 90650	51,100	OWNED	NONE
A358	DPSS COMPUTER SERVICES OFFICE	14714 CARMENITA ROAD, NORWALK 90650	60,900	LEASED	NONE

**COUNTY OF LOS ANGELES
CHIEF ADMINISTRATIVE OFFICE
LICENSE AGREEMENT**

THIS LICENSE AND AGREEMENT, made and entered into in duplicate original this _____ day of _____, 2004, by and between SONNENBLICK DEL RIO IMPERIAL CENTER-NORWALK, L.L.C., hereinafter referred to as the Licensor, and the COUNTY OF LOS ANGELES, a body politic and corporate hereinafter referred to as the Licensee,

W I T N E S S E T H:

1. **DESCRIPTION
OF PREMISES:**

The Licensor, for and in consideration of the performance of the covenants and agreements hereinafter contained to be kept and performed by the Licensee, upon the following terms and conditions, hereby Licenses to the Licensee the exclusive right to use a portion of the parking lot, located at 12440 East Imperial Highway, in the City of Norwalk, in the County of Los Angeles, State of California, hereinafter referred to as the "Premises", and further delineated pursuant to the location shown on Exhibit "A", which is incorporated herein.

The Premises shall comprise 250 off-street, reserved, in-and-out parking spaces located in the on-site parking lot. No tandem spaces will be included and all spaces will be "in and out" as long as that design is consistent with County policy.

2. **TERM:**

The term of this License and Agreement shall commence on June 21, 2004 and terminate on June 20, 2011.

3. **CONSIDERATION:**

Licensee hereby agrees to pay a license fee, for said demised Premises during the term of this License and Agreement, in the sum of Eleven Thousand Two Hundred Fifty Dollars (\$11,250.00) per month, i.e. \$45.00 per space per month, payable in advance by Auditor's General Warrant. License payments shall be payable within fifteen days after the first day of each and every month of the term hereof provided Licensor has caused a claim therefor for each such month to be filed with the Auditor of the County of Los Angeles prior to the first day of each month.

Licensor shall use his best effort to provide Licensee with a minimum of Two Hundred Fifty (250) parking spaces at all times. If Licensor provides less than a minimum of Two Hundred Fifty (250) parking spaces at all times, Licensee shall have the right to reduce the license fee, payable herein, in proportion to the loss of such parking based on the rate prevailing under this License and Agreement.

Notwithstanding the above, failure of the Licensor to provide a minimum of Two Hundred Fifty (250) parking spaces at all times shall entitle Licensee to cancel this License by giving Licensor thirty (30) days advance written notice of such cancellation.

4. **USE:**

Licensor agrees that the demised Premises together with all appurtenances thereto belonging or in any wise appertaining, shall be used by the Licensee as reserved, off-street, in and out parking for the Department of Public Social Services during normal working hours, evenings, weekends, and holidays as Licensee may desire. It is the intention of the parties that the Licensee's use of the property will not impact the current use of the property.

Licensee and Licensor hereby reserve the right to have unauthorized vehicles towed from the reserved parking spaces. Authorized vehicles shall be identified by parking passes that shall be displayed in a visible location. In the event, Licensee notifies the Licensor or the Licensor's agent/property manager of any unauthorized vehicles then the Licensor or the Licensor's agent/property manager shall take immediate action to have the vehicle towed or removed.

5. **CANCELLATION:**

Either party shall have the right to reduce the number of parking spaces and the license fee, payable herein, in proportion to the reduction in parking spaces as well as the right to cancel this License at any time after July 1, 2007, by giving the other party at least Ninety (90) days prior written notice.

6. **DAMAGE OR
DESTRUCTION:**

Licensor agrees that should the demised Premises be damaged by fire, incident of war, earthquake, or other elements as to render them reasonably unfit for Licensee's occupancy, as determined by Licensee's sole discretion, then the License shall be terminated immediately upon the happening of any such event whereupon Licensee shall surrender the Premises and shall not be obligated for any further license fee and Licensor shall refund any unearned license fees paid in advance by Licensee calculated at a daily rate based on the regular monthly rate.

7. **REPAIR,
MAINTENANCE,
REPLACEMENT:**

A. Licensor agrees to maintain, resurface and restripe the Premises, at Licensor's expense. Licensor's maintenance responsibility shall include, but not be limited to the provision of adequate lighting, including lamps and tubes, sweeping, trash removal, and repair or replacement of car-stops, gates and fence. Licensor shall provide 250 parking passes/window decals on a monthly or quarterly basis.

B. Licensee agrees to return said Premises to Licensor in as good condition as when rented, ordinary wear and tear, damage by earthquake, fire or the elements and other disaster or casualty excepted.

8. **UTILITIES:**

Licensor agrees to pay when due all charges for the use of the sewer, effluent treatment, when and if imposed by any Governmental authority, all water, electricity, lighting and other charges accruing or payable in connection with the demised Premises during the term of this License or any renewal, extension, or holdover thereof, whether the same are pro-rated or measured by separate meters.

9. **DEFAULT:**

A. **Default by Licensee:**

Licensee agrees that if default shall be made in the payment of rent in the manner herein provided or in any of the covenants or agreements herein contained on the part of the Licensee to be kept and performed which constitute a material breach of the License, it shall be lawful for the Licensor to declare said term ended and to terminate this License upon the giving of thirty (30) days written notice. In addition thereto, Licensor shall have such other rights or remedies as may be provided by law. Licensor may not terminate the License if Licensee cures the default within the thirty (30) day period after the notice is given.

B. **Default by Licensor:**

Licensor shall not be in default in the performance of any obligation required to be performed under this License unless Licensor has failed to perform such obligation within thirty (30) days after the receipt of written notice of default from Licensee specifying in detail Licensor's failure to perform or within such shorter period of time as may be specified herein. Licensee may terminate this License upon Licensor's default of any material obligation upon giving of thirty (30) days written notice of termination. In addition thereto, Licensee shall have such other rights or remedies as may be provided by law. Licensee may not terminate the License if Licensor cures the default within the thirty (30) day period after the notice is given.

Licensee shall not exercise any of its rights under this Paragraph, other than its rights to give notice, until Licensee gives notice to any person who has requested in writing notice of Licensor's default, and has specified that person's interest in the License. The notice to such person shall be for the same period of time as that to which Licensor is entitled. Such person shall have the right to cure the default within the same period of time, after notice, to which Licensor would be entitled.

If Licensor or such person does not cure the default, Licensee may exercise any of its rights or remedies provided for or permitted in this License or pursuant to law, including the right to recover any damages proximately caused by the default.

C. Request for Notice of Default

Licensors shall obtain prior to the Licensee's occupancy of the Premises, a Request for Notice of Default, in a recordable form, executed and acknowledged by Licensors, requesting that the County be notified of any Notice of Default filed by any of Licensors' lenders, to the address of County as specified in Section 10 of this License.

D. Receipt of Notice

Notwithstanding anything in Paragraph 9 herein to the contrary, receipt of notice under this Paragraph shall be conclusively presumed to have occurred on the earliest of:

- (1) In the event the subject premises and building are sold to an individual, the date of personal delivery to Licensors or to Licensors' agent or employee at Licensors' place of business.
- (2) The date of delivery shown upon the United States Postal Service's return receipt for certified or registered mail.
- (3) Ten (10) days after deposit of notice to the address stipulated in Paragraph 10, sent by first class mail with the United States Postal Service, provided prior or concurrent notice has been attempted pursuant to Paragraph 10, but delivery has been refused or the notice otherwise returned without delivery.

10. NOTICES:

Notices desired or required to be given by this License or by any law now or hereinafter in effect shall be given by enclosing the same in a sealed envelope with postage prepaid, certified or registered mail, return receipt requested, with the United States Postal Service.

Any such notice and the envelope containing the same shall be addressed to the Licensors as follows:

Sonnenblick Del Rio Imperial Center-Norwalk, L.L.C
c/o Transwestern Commercial Services
12440 East Imperial Highway
Norwalk, CA 90650

The notices and envelopes containing the same shall be addressed to the Licensee as follows:

Board of Supervisors
Kenneth Hahn Hall of Administration, Room 383
500 West Temple Street
Los Angeles, CA 90012

with a copy to:

Chief Administrative Office
Real Estate Division
222 South Hill Street, 3rd floor
Los Angeles, CA 90012
Attention: Director of Real Estate

or such other place as may hereinafter be designated in writing by the Licensors or Licensee except that Licensors shall at all times maintain a mailing address in California.

11. INSURANCE:

- A. During the term of this License, Licensors shall also at all times maintain in force a policy of comprehensive public liability insurance insuring against injury to persons and damage to property. This policy shall have a combined single limit coverage of not less than two million dollars (\$2,000,000) per occurrence. The policy coverage shall be reviewed by the insurer at least every year to assure sufficient coverage.

Licensor shall cause Licensee to be named as an additional insured on the policy described above and such policy shall require written notice to Licensee at least thirty (30) days prior to the expiration or other termination of the coverage. Licensor shall at all times be responsible for providing Licensee with evidence that such coverage is in effect and has not been terminated. In the event that Licensor causes or permits the insurance policy or policies to lapse or otherwise terminate, Licensee shall have the option to obtain the policy or self-insure and deduct the premiums thereof from the licensee fees next due.

B. Licensee shall indemnify and hold Licensor, its agents, officers and employees free and harmless from any and all liability, claims, loss, damages or expenses (including defense costs and legal fees), arising by reason of bodily injury, death, personal injury, or property damage resulting from Licensee's activities on the Premises. For purposes of this section, Licensee shall be understood to include all employees of the County of Los Angeles who come on to the Premises for parking or any other purpose, as well as any and all guests and/or invitees said employees shall bring on to or otherwise cause to enter onto the Premises.

C. Licensor shall indemnify, defend and save harmless Licensee, its agents, officers and employees, from and against any and all liability, expenses (including defense costs and legal fees) and claims for damages of any nature whatsoever, including but not limited to bodily injury, death or personal injury or property damage arising from or connected with the negligent acts or omissions of Licensor with regard to Licensor's use, maintenance or ownership of the Premises.

12. **TAXES:**

Licensor shall pay promptly all real property taxes, assessments and special assessments which may be levied or assessed against the demised Premises during the term of this License or any renewal or holdover period thereof.

In the event Licensor fails or refuses to pay any or all taxes or assessments when due, Licensee may give Licensor thirty (30) calendar days prior written notice and thereafter pay such taxes and assessments and deduct the payments from the installments of license fees next due as a charge against the Licensor.

13. **ASSIGNMENT;
SUBLETTING:**

Licensee shall not assign or sublet the whole or any part of the demised Premises nor assign this License without in each case first securing the written consent of the Licensor which may be withheld in Licensor's sole and absolute discretion. Any assignments or subletting of the premises without Licensor's prior consent shall be void and of no force or effect.

14. **BINDING ON
SUCCESSORS:**

Each and all of the terms and agreements herein contained shall be binding upon and shall inure to the benefit of the successors in interest of the Licensor, and wherever the context permits or requires, the successors in interest to the Licensee.

15. **GENERAL
PROVISIONS:**

A. **Waiver**

The waiver by Licensor or Licensee of any term, covenant or condition herein contained shall not be deemed to be a waiver of such term, covenant or condition on any subsequent breach of the same or any other term, covenant or condition herein contained.

B. **Marginal Headings**

The paragraph titles in this License are not a part of this License and shall have no effect upon the construction or interpretation of any part hereof.

C. **Time**

Time is of the essence of this License and each and all of its provisions in which performance is a factor.

D. **Recordation**

Neither party may record this License.

E. Quiet Possession

Upon Licensee paying the License fee hereunder Licensee shall have quiet possession of the demised Premises for the entire term hereof subject to all the provisions in this License.

F. Prior Agreements

This License contains all of the agreements of the parties hereto with respect to any matter covered or mentioned in this License and no prior agreements or understanding pertaining to any such matter shall be effective for any purpose. No provision of this License may be amended or added to except by an agreement in writing signed by the parties hereto or their respective successors-in-interest. This License shall not be effective or binding on any party until fully executed by both parties hereto.

G. Force Majeure

In the event that either party is delayed or hindered from the performance of any act required hereunder by reason of strikes, lock-outs, labor troubles, inability to procure materials not related to the price thereof, failure of power, restrictive governmental laws and regulations, riots, insurrection, war or other reasons of a like nature beyond the control of such party, then performance of such acts shall be excused for the period of the delay, and the period for the performance of any such act shall be extended for a period equivalent to the period of such delay.

H. Severability

Any provision of this License which shall prove to be invalid, void or illegal shall in no way affect, impair or invalidate any other provision hereof and such other provisions shall remain in full force and effect.

I. Cumulative Remedies

No remedy or election hereunder shall be deemed exclusive but shall wherever possible be cumulative with all other remedies at law or in equity.

J. Choice of Law

This License shall be governed by the laws of the State of California, exclusive of conflict of law provisions.

K. Interpretation

The language of this License shall be construed according to its fair meaning and not strictly for or against Licensor or Licensee.

L. Community Business Enterprise

Licensor is encouraged to use Community Business Enterprises (CBE) in all contracts when possible as sources for supplies, equipment, construction and services. This shall apply during any applicable tenant improvement construction, if any, and services to be provided during the License term.

Licensor shall submit evidence of CBE participation by providing completed copies of the Community Business Enterprise Firm Information, form attached hereto as Exhibit "A", at the time of signing this License and Agreement and thereafter on an annual basis on or before December 30th of each year of the term of this Agreement.

M. Lobbyists

Licensors and each County lobbyist or County lobbying firm as defined in Los Angeles County Code Section 2.160.010, retained by Licensor, shall fully comply with the County Lobbyist Ordinance, Los Angeles County Code Chapter 2.160. Failure on the part of Licensor or any County lobbyist or County lobbying firm retained by Licensor to fully comply with the County Lobbyist Ordinance shall constitute a material breach of this Agreement upon which County may immediately terminate or suspend this Agreement.

16. HAZARDOUS MATERIALS:

Definition:

For purposes of this Agreement, the term "hazardous substances" shall be deemed to include hazardous, toxic or radioactive substances as defined in California Health and Safety Code Section 25316 as amended from time to time, or the same or a related defined term in any successor or companion statutes, and crude oil or byproducts of crude oil other than crude oil which exists on the property as a natural formation, and those chemicals and substances identified pursuant to Health and Safety Code Section 25249.8.

Warranties and Representations:

1. Licensor hereby warrants and represents, based upon appropriate and reasonable inspection of the Premises, that during its leasehold interest in the Premises; hazardous substances have not been released on the Premises; that it has no knowledge of any release of hazardous substances on the Premises occurring before its leasehold interest commenced; that it has no knowledge or reason to believe that there are hazardous substances on the Premises; that Licensor shall comply with all federal, state and local laws and regulations concerning the use, release, storage and disposal of hazardous substances; and that Licensor shall require all other tenants, if any, of the subject property to comply with the aforementioned rules and regulations.
2. Licensee hereby warrants and represents that it shall comply with all federal, state and local laws and regulations concerning the use, release, storage and disposal of hazardous substances on the Premises.

Notice:

Licensor and Licensee agree to immediately notify each other when either party learns that hazardous substances have been released on the Premises or, if a multi-tenant property, on the subject property.

Indemnity:

1. Licensor agrees to indemnify, defend and save Licensee, its agents, offices and employees from or against all liability, expenses (including defense costs, legal fees, and response costs imposed by law) and claims for damages of any nature whatsoever which arise out of the presence of hazardous substances on the Premises which have not been caused by Licensee.
2. Licensee agrees to indemnify, defend and save harmless Licensor from and against all liability, expenses (including defense costs, legal fees and response costs imposed by law) and claims for damages of any nature whatsoever which arise out of the presence of hazardous substances on the Premises caused by Licensee.
3. The indemnity provided each party in this provision shall survive the termination of this License.

Default:

The presence or release of hazardous substances on the Premises and/or subject property, which is not caused by Licensee and which threatens the health and safety of Licensee's agents, officers, employees or invitees, as determined by Licensee's sole but reasonable discretion, shall entitle Licensee to immediately terminate this License. In the event of such termination, Licensee shall not be obligated for any further license fees and Licensors shall refund any unearned license fees paid in advance by Licensee calculated at a daily rate based on the regular monthly rental.

18. CONDITIONS
PRECEDENT:

Licensors, as a condition of this License and at its sole cost and expense, agrees to perform and complete the following work:

- A. Install reserved parking signs.
- B. Provide 250 parking passes/window decals.

Said work shall be completed within thirty (30) days after this License is fully executed. If Licensors should fail to complete the above work within said thirty (30) days, Licensee may give Licensors ten (10) days prior written notice, and thereafter terminate this License.

19. WARRANTY OF
AUTHORITY:

Each of the undersigned signatories for the Licensors hereby personally covenants, warrants and guarantees that each of them, jointly and severally, has the power and authority to execute this License upon the terms and conditions stated herein and each agrees to indemnify and hold harmless the Licensee from all damages, costs, and expenses, which result from a breach of this material representation.

20. CONSIDERATION OF
GAIN PROGRAM
PARTICIPANTS:

Should Licensors require additional or replacement personnel after the effective date of this Agreement, Licensors shall give consideration for any such employment to participants in the County's Department of Public Social Services' Greater Avenues for Independence (GAIN) Program who meet Licensors' minimum qualifications for the open position. The County will refer GAIN participants by job category to the Licensors.

21. SOLICITATION OF
CONSIDERATION:

It is improper for any County officer, employee or agent to solicit consideration, in any form, from a Licensors with the implication, suggestion or statement that the Licensors' provision of the consideration may secure more favorable treatment for the Licensors in the award of the License or that the Licensors' failure to provide such consideration may negatively affect the County's consideration of the Licensors' submission. A Licensors shall not offer or give, either, directly or through an intermediary, consideration, in any form, to a County officer, employee or agent for the purpose of securing favorable treatment with respect to the award of the License.

A Licensors shall immediately report any attempt by a County officer, employee or agent to solicit such improper consideration. The report shall be made either to the County manager charged with the supervision of the employee or to the County Auditor-Controller's Employee Fraud Hotline at (213) 974-0914 or (800) 544-6861. Failure to report such solicitation may result in the Licensors' submission being eliminated from consideration.

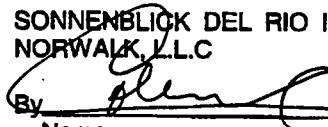
22. IRREVOCABLE
OFFER:

In consideration for the time and expense that the County will invest, including but not limited to legal review, and preparation and noticing for presentation to the County Board of Supervisors and/or Real Estate Management Commission in reliance on Licensors' covenant to license to the County under the terms of this license offer, the Licensors irrevocably promises to keep this offer open until July 1, 2004.

IN WITNESS WHEREOF, pursuant to Chapter 2.81 of the Los Angeles County Code this Agreement has been executed on behalf of the County of Los Angeles by the Chief Administrative Officer or his designee, on the _____ day of _____, 2004.

LICENSOR:

SONNENBLICK DEL RIO IMPERIAL CENTER-
NORWALK, L.L.C

By 
Name: **Nicholas V. Colonna**
Title: **Authorized Signatory**

LICENSEE:

COUNTY OF LOS ANGELES

ATTEST:

VIOLET VARONA-LUKENS
Executive Officer
Clerk of the Board of Supervisors

By _____
Don Knabe
Chairman, Board of Supervisors

By _____
Deputy

APPROVED AS TO FORM:

OFFICE OF THE COUNTY COUNSEL

By 
Deputy: Francis E. Scott